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State of Misconsin 2009 - 2010 LEGISLATURE

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SENATE AMENDMENT 1, TO 2009 SENATE BILL 2

February 6, 2009 - Offered by Senator LEHMAN.

- 1 At the locations indicated, amend the bill as follows:
- 2 **1.** Page 4, line 15: delete lines 15 to 25.
- 3 **2.** Page 5, line 1: delete lines 1 to 18 and substitute:
- 4 "Section 4d. 109.09 (2) (a) of the statutes is amended to read:
 - 109.09 (2) (a) The department of workforce development, under its authority under sub. (1) to maintain actions for the benefit of employees, or an employee who brings an action under s. 109.03 (5), or the recognized or certified collective bargaining representative of an employee, under its authority under s. 109.03 (5) to maintain actions for the benefit of employees, shall have a lien upon all property of the employer, real or personal, located in this state for the full amount of any wage claim or wage deficiency. A lien under this paragraph is created when the services for which the wages are due are performed.
 - **Section 5d.** 109.09 (2) (b) 1. of the statutes is amended to read:

109.09 (2) (b) 1. A lien under par. (a) upon real property takes effect is perfected when the department of workforce development or, employee, or collective bargaining representative files a notice of the lien with the clerk of the circuit court of the county in which the services or some part of the services were performed, pays the fee specified in s. 814.61 (5) to that clerk of circuit court, and serves a copy of that petition the notice on the employer by personal service in the same manner as a summons is served under s. 801.11 or by certified mail with a return receipt requested. The clerk of circuit court shall enter the notice of the lien on the judgment and lien docket kept under s. 779.07.

Section 6d. 109.09 (2) (b) 2. of the statutes is amended to read:

109.09 (2) (b) 2. A lien under par. (a) upon personal property takes effect is perfected when the department of workforce development or, employee, or collective bargaining representative files a notice of the lien with the department of financial institutions in the same manner, and form, and place as financing statements are filed under subch. V of ch. 409 regarding debtors who are located in this state, pays the same fee provided in s. 409.525 for filing financing statements, and serves a copy of the notice on the employer by personal service in the same manner as a summons is served under s. 801.11 or by certified mail with a return receipt requested. The department of financial institutions shall place the notice of the lien in the same file as financing statements are filed under subch. V of ch. 409.".

3. Page 6, line 1: delete lines 1 to 17 and substitute:

"Section 9d. 109.09 (2) (c) 1m. of the statutes is amended to read:

109.09 (2) (c) 1m. A lien under par. (a) takes precedence over all other debts, judgments, decrees, liens, interests, or mortgages against the employer, except a lien

of a commercial lending institution as provided in subd. 2. and 3., a lien of a financial institution as provided in subd. 3., or a lien under s. 292.31 (8) (i) or 292.81, regardless of whether those other debts, judgments, decrees, liens, interests, or mortgages originate before or after the lien under par. (a) takes effect is perfected. A lien under par. (a) also takes precedence over the rights of any person that purchases any property of the employer after the lien is created, including any bona fide purchaser. A lien under par. (a) may be enforced in the manner provided in ss. 779.09 to 779.12, 779.20, and 779.21, insofar as those provisions are applicable. The lien ceases to exist if the department of workforce development or the, employee, or collective bargaining representative does not bring an action to enforce the lien within the period prescribed in s. 893.44 for the underlying wage claim.

Section 10d. 109.09 (2) (c) 2. of the statutes is amended to read:

109.09 (2) (c) 2. Except as provided in this subdivision, a lien under par. (a) does not take precedence over a lien of a commercial lending institution against the employer that is perfected as of the day before the effective date of this subdivision [LRB inserts date], and that originates is perfected before the lien under par. (a) takes effect is perfected or over a lien of a commercial lending institution against the employer for any amount advanced by the commercial lending institution after a lien under par. (a) is perfected under a contract entered into before the effective date of this subdivision [LRB inserts date], including any renewal or time extension of such a contract. Subject to subd. 3., a lien under par. (a) takes precedence over a lien of a commercial lending institution against the employer that is perfected as of the day before the effective date of this subdivision [LRB inserts date], and that originates is perfected before the lien under par. (a) takes effect is perfected, or over a lien of a commercial lending institution against the employer for any amount

advanced by the commercial lending institution after a lien under par. (a) is perfected under a contract entered into before the effective date of this subdivision [LRB inserts date], including any renewal or time extension of such a contract, only as to the first \$3,000 of unpaid wages covered under the lien that are earned by an employee within the 6 months preceding the date on which the employee or collective bargaining representative files the wage claim under sub. (1) or brings the action under s. 109.03 (5) or the date on which the department receives the wage claim under s. 109.10 (4) (a), whichever is applicable.

Section 11d. 109.09 (2) (c) 3. of the statutes is amended to read:

109.09 (2) (c) 3. Notwithstanding subd. 2., a lien of a financial institution that exists on is perfected as of November 30, 2003, and that originates is perfected before a lien under par. (a) takes effect is perfected takes precedence over the lien under par. (a), and a lien of a financial institution for any amount advanced by the financial institution after a lien under par. (a) takes effect is perfected under a contract entered into before December 1, 2003, including any extension or renewal or time extension of such a contract, takes precedence over the lien under par. (a). Notwithstanding subd. 2., a lien under par. (a) that exists on is perfected as of November 30, 2003, takes precedence over a lien of a commercial lending institution that is not a financial institution, regardless of whether the lien of the commercial lending institution originates is perfected before or after the lien under par. (a) takes effect is perfected."

- 4. Page 6, line 25: delete that line.
- **5.** Page 7, line 1: delete lines 1 to 5 and substitute:
- "Section 13m. Initial applicability.

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(1) Wage Claim Lien Priority. The treatment of section 109.09 (2) (c) 1m. of the statutes first applies to a lien under section 109.09 (2) (a) of the statutes that is created on the effective date of this subsection.".

4 (END)